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10/696,546	10/28/2003	Martin R. Watts	JPM-057 C1	7838

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GOODWIN PROCTER LLP  
901 NEW YORK AVENUE, N.W.  
WASHINGTON, DC 20001

EXAMINER
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KHATTAR, RAJESH

ART UNIT	PAPER NUMBER
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3693

NOTIFICATION DATE	DELIVERY MODE
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01/07/2009

ELECTRONIC

**Please find below and/or attached an Office communication concerning this application or proceeding.**

The time period for reply, if any, is set in the attached communication.

Notice of the Office communication was sent electronically on above-indicated "Notification Date" to the following e-mail address(es):

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<b>Office Action Summary</b>	<b>Application No.</b> 10/696,546	<b>Applicant(s)</b> WATTS ET AL.	
	<b>Examiner</b> RAJESH KHATTAR	<b>Art Unit</b> 3693	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

### Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

### Status

- 1) ☒ Responsive to communication(s) filed on 22 October 2008.
- 2a) ☒ This action is **FINAL**.                      2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

### Disposition of Claims

- 4) ☒ Claim(s) 1-8 is/are pending in the application.
- 4a) Of the above claim(s) 1 is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 2-8 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

### Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

### Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All    b) ☐ Some \*    c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
  2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

### Attachment(s)

- |  |   |
|--|---|
| 1) <input type="checkbox"/> Notice of References Cited (PTO-892)                     | 4) <input type="checkbox"/> Interview Summary (PTO-413)           |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | Paper No(s)/Mail Date. _____                                      |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08)          | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| Paper No(s)/Mail Date _____  | 6) <input type="checkbox"/> Other: _____                          |

## **DETAILED ACTION**

### ***Acknowledgements***

This office action is in response to Applicant's communication filed on 10/22/2008. Claims 2 and 4 have been amended. Claim 1 has been cancelled. As such, claims 2-8 are pending in the application.

### ***Response to Arguments***

Applicant's arguments filed 10/22/08 have been fully considered but they are not persuasive due to the following reasons:

With regard to the 35 U.S.C. 103(a) rejection of claims 2-4, Applicant states that the limitations the Examiner has chosen to ignore include (1) weighing each option premium from said determining step by the probability associated with the corresponding volatility as determined from the volatility distribution graph; and (2) summing all weighed option premiums associated with the volatilities to provide a premium for the option. Examiner respectfully disagrees.

Examiner notes that the limitation weighing each premium.... is simply multiplying the premium calculated in the previous step with the probability factor. Both the premium and the probability factor were obtained in the previous step of claims 2-4. Thus, simply multiplying the premium calculated with the probability factor produces an expected/intended outcome.

In a similar manner, Examiner asserts that the limitation summing all weighted premium... is simply adding up the premium that was calculated in the previous step and hence produces an expected/intended outcome.

Applicant further states that the combination of references lacks additional features. With respect to dividing the volatility distribution graph into a plurality of vertical slices, each of said slices corresponding to a volatility, the Office action admits that Daughtery fails to disclose this feature and relies instead on Official Notice and Yuguchi (Remarks dated 10/22/2008, page 10, lines 6-9). Yuguchi is non-analogous art ...and does not even mention volatility. Additionally, with respect to feature (3) dividing the volatility distribution graph into a plurality of vertical slices, each of said slices corresponding to a volatility, whereby the integration of the graph over the volatility range corresponding to each slice provides a probability for the corresponding volatility, the office action fails to identify any references that disclose this feature or even to implement Official Notice (Remarks dated 10/22/2008, page 10, lines 15-19).

Examiner relies on Yuguchi to disclose providing a distribution graph and dividing the distribution graph into a plurality of vertical slices, each of said slices corresponding to a volatility, whereby the integration of the graph over the volatility range corresponding to each slice provides a probability for the corresponding volatility (Figure 1A and 1B and claim 1). Examiner does not rely on Official Notice.

Examiner relies on Daughtery and Chriss to disclose volatility and volatility range. Thus, the combination of Daughtery, Chriss and Yuguchi discloses the limitation dividing the volatility distribution graph into a plurality of vertical slices, each of said slices corresponding to a volatility, whereby the integration of the graph over the volatility range corresponding to each slice provides a probability for the corresponding volatility.

In response to applicant's argument that Yuguchi is nonanalogous art, it has been held that a prior art reference must either be in the field of applicant's endeavor or, if not, then be reasonably pertinent to the particular problem with which the applicant was concerned, in order to be relied upon as a basis for rejection of the claimed invention. See *In re Oetiker*, 977 F.2d 1443, 24 USPQ2d 1443 (Fed. Cir. 1992). In this case, Yuguchi is relevant as it discloses providing a distribution graph and dividing the distribution graph into a plurality of vertical slices.

Applicant further states that there can be absolutely no disclosure in Daughtery for determining an option premium for each vertical slice by employing a volatility premium calculation equation (Remarks dated 10/22/08, page 10, lines 20-23). Examiner respectfully disagrees.

Examiner notes that Daughtery discloses determining an option premium (col. 11, lines 35-col. 12, lines 13). It would have been obvious to one of ordinary skills in the art to extend Daughtery's approach of determining an option premium to each vertical slice.

Applicant states that the derivation of the equations in the claims is not part of the claimed invention. Examiner respectfully disagrees.

Examiner notes that the equations presented in claims 2 and 4 are simply derived from existing equations as per Applicant's admitted prior art. Examiner asserts that derivation of the equations from existing equations would have been obvious to a person having ordinary skills in the art.

Applicant further states that no motivation would have existed to combine the references (Remarks, page 11). Examiner respectfully disagrees.

Examiner notes that the motivation for combining these references is described in the previous office action (non-final office action dated 7/23/2008, pages 2-6).

Thus, the combination of Daughtery, Chriss, Pilipovic, Yuguchi and Applicant's admitted prior art when taken together as a whole discloses the limitations of claim 2.

Moreover, with respect to claim 3, Applicant states (Remarks dated 10/22/2008, pages 16) that performing an inverse Black procedure to determine the conventional market implied volatility for a strike rate that is different from the forward rate. Applicant further states that this objective is accomplished merely by assuming constant volatility as is currently done with the Black Scholes method. Daughtery already achieves this goal and cannot possibly "invert" an equation it has already implemented to achieve a result that it has already reached without any inversion.

Examiner notes that Daughtery accomplishes what Applicant is claiming by incorporating the inverse step. Hence the inverse step in claim 3 produces an outcome that is disclosed by Daughtery. Furthermore, Examiner has also previously cited Financial Engineering News to disclose the inverse Black procedure (page 9 of the previous office action).

Thus, the combination of Daughtery, Chriss, Pilipovic, Yuguchi, Applicant's admitted prior art and Financial Engineering News when taken together as a whole discloses the limitations of claim 3.

Similar arguments can be extended to the rejection of claims 5-8 and these claims are substantially similar to claims 2-4.

Examiner withdraws the 35 U.S.C. 112, 2<sup>nd</sup> paragraph rejection as Applicant's amendment addressed the issue.

Examiner has reproduced the modified version of the previous office action (addressed rejection has been omitted) as below for reference:

***Claim Rejections - 35 USC § 103***

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Claim 2 is rejected under 35 U.S.C. 103(a) as being unpatentable over Daughtery, US Patent No. 6,263,321 in view of a book by Neil A. Chriss titled "Black-Scholes and Beyond. Option Pricing Models" in view of Pilipovic, US Patent No. 6,456,982 in view of Yuguchi, US Patent No. 3,673,521 and further in view of Applicant's admitted prior art. Daughtery discloses a method for generating a premium for an option, comprising:

providing the average volatility of the asset by employing historical or market data (col. 7, lines 1-8);

providing the *volatility of volatility* of the asset by employing historical data (col. 7, lines 1-8);

Art Unit: 3693

determining an option for each vertical slice by employing a volatility premium process (col. 11, lines 35-col. 12, lines 13; Daughtery disclosure is equally applicable for determining an option premium for each vertical slice).

Daughtery does not specifically disclose volatility of volatility. Examiner recognizes that this term is old and well known in the art. To add further support, Examiner cites Chriss disclosing this feature (pages 343-349). Therefore, it would have been obvious for a person having ordinary skills in the art at the time the invention was made to modify the disclosure of Daughtery to include the disclosure of Chriss. One would have been motivated to do so in order to address the randomly changing volatility as illustrated by Chriss (page 345).

Both Daughtery and Chriss fail to specifically disclose

providing the type of distribution for the forward rate based on historical data.

However, Pilipovic discloses this feature (col. 4, lines 40-55, col. 18, lines 54-63, col. 19, lines 5-20).

Therefore, it would have been obvious to a person having ordinary skills in the art at the time the invention was made to modify the disclosure of Daughtery and Chriss to include the disclosure of Pilipovic. The motivation for combining these references would be to create distributions of possible outcomes for any forward rate and for any period in the future as illustrated by Pilipovic (col. 18, lines 54-63).

Daughtery, Chriss and Pilipovic fail to specifically disclose



Art Unit: 3693

providing a volatility distribution graph based on the selected distribution type, the volatility and the volatility of volatility, the graph having volatility as the x-axis and probability as the y-axis;

dividing the volatility distribution graph into a plurality of vertical slices, each of said slices corresponding to a volatility, whereby the integration of the graph over the volatility range corresponding to each slice provides a probability for the corresponding volatility;

Examiner recognizes that providing a distribution graph and dividing the distribution graph into a plurality of vertical slices is old and well known in the art. For example, a spreadsheet program e.g. Excel would be able to meet these limitations and is clearly within the capability of a person having ordinary skills in the art. However, to add further support, Examiner cites Yuguchi disclosing these features (Figure 1A and 1B and claim 1).

Therefore, it would have been obvious to a person having ordinary skills in the art at the time the invention was made to modify the disclosure of Daughtery, Chriss and Pilipovic to include the disclosure of Yuguchi. The motivation for combining these references would have been to display the data graphically and would have been within the knowledge of a person having ordinary skills in the art.

Examiner has given little/no patentable weight to the limitations

weighing each premium from said determining of premium step by the probability associated with the corresponding volatility as determined from the volatility distribution graph; and

summing all weighed premiums associated with the volatilities to provide a premium for the option.

Examiner notes that the limitation weighing each premium... is simply multiplying the premium calculated in the previous step with the probability factor. This limitation does not change the scope of the claim and produces an expected outcome.

Similarly, arguments can be made that the limitation summing all weighted premium... simply produces an expected outcome.

Regarding the limitation, wherein the volatility premium process used to determine the stochastic volatility premium incorporates a trader-selected  $q$  to calculate the value of a call option on rate  $r$  with forward value  $\bar{r}$ , strike  $k$ , expiration time  $t$ , and annualized volatility  $\sigma$  and is given by the following formula as disclosed in claim 2.

Examiner notes that Applicant's admitted prior art discloses (Remarks, dated 4/14/2008, page 8) that "Mathematical techniques are known in the financial and other arts that implement a selectable  $q$ ".

In response to 37 C.F.R. §105 request, Applicant states that the equation of claims 2, 4, and 7 is derived from existing equations. Applicant did not clearly state where the existing equations can be found. Since, the office is not able to search for mathematical equations, Examiner is relying on Applicant to provide this information as per 37 C.F.R. 105 request. Based on the information provided by Applicant, Examiner concludes that the mathematical equations cited in claims 2, 4 and 7 are not novel and it would have been obvious to a person having ordinary skills in the art to derive the mathematical equations cited in claims 2, 4 and 7 from existing equations. If Applicant

Art Unit: 3693

does not agree with Examiner's interpretation of Applicant's disclosure as per 37 C.F.R. § 105, Examiner encourages the Applicant to clearly specify how these equations would not have been obvious to a person having ordinary skills in the art.

Therefore, it would have been obvious to a person having ordinary skills in the art at the time the invention was made to modify the disclosure of Daughtery, Chriss, Pilipovic and Yuguchi to include the disclosure of Applicant's admitted prior art. The motivation for combining these references would be to determine expirationless option premium as illustrated by Daughtery (col. 11, lines 20-30).

Claim 3 is rejected under 35 U.S.C. 103(a) as being unpatentable over Daughtery in view of Chriss in view of Pilipovic in view of Yuguchi in view of Applicant's admitted prior art and further in view of a non-patent literature titled Financial Engineering News. Daughtery discloses a method for generating a premium for an option, comprising:

providing the average volatility of the asset by employing historical or market data (col. 7, lines 1-8);

providing the *volatility of volatility* of the asset by employing historical data (col. 7, lines 1-8);

determining an option for each vertical slice by employing a volatility premium process (col. 11, lines 35-col. 12, lines 13, Daughtery disclosure is equally applicable for determining an option premium for each vertical slice).

Daughtery does not specifically disclose volatility of volatility. Examiner recognizes that this term is old and well known in the art. To add further support,

Art Unit: 3693

Examiner cites Chriss disclosing this feature (pages 343-349). Therefore, it would have been obvious for a person having ordinary skills in the art at the time the invention was made to modify the disclosure of Daughtery to include the disclosure of Chriss. One would have been motivated to do so in order to address the randomly changing volatility as illustrated by Chriss (page 345).

Both Daughtery and Chriss fail to specifically disclose

providing the type of distribution for the forward rate based on historical data.

However, Pilipovic discloses this feature (col. 4, lines 40-55, col. 18, lines 54-63, col. 19, lines 5-20).

Therefore, it would have been obvious to a person having ordinary skills in the art at the time the invention was made to modify the disclosure of Daughtery and Chriss to include the disclosure of Pilipovic. The motivation for combining these references would be to create distributions of possible outcomes for any forward rate and for any period in the future as illustrated by Pilipovic (col. 18, lines 54-63).

Daughtery, Chriss and Pilipovic fail to specifically disclose

providing a volatility distribution graph based on the selected distribution type, the volatility and the volatility of volatility, the graph having volatility as the x-axis and probability as the y-axis;

dividing the volatility distribution graph into a plurality of vertical slices, each of said slices corresponding to a volatility, whereby the integration of the graph over the volatility range corresponding to each slice provides a probability for the corresponding volatility;

Examiner recognizes that providing a distribution graph and dividing the distribution graph into a plurality of vertical slices is old and well known in the art. For example, a spreadsheet program e.g. Excel would be able to meet these limitations and is clearly within the capability of a person having ordinary skills in the art. However, to add further support, Examiner cites Yuguchi disclosing these features (Figure 1A and 1B and claim 1).

Therefore, it would have been obvious to a person having ordinary skills in the art at the time the invention was made to modify the disclosure of Daughtery, Chriss and Pilipovic to include the disclosure of Yuguchi. The motivation for combining these references would have been to display the data graphically and would have been within the knowledge of a person having ordinary skills in the art.

Examiner has given little/no patentable weight to the limitations weighing each premium from said determining of premium step by the probability associated with the corresponding volatility as determined from the volatility distribution graph; and

summing all weighed premiums associated with the volatilities to provide a premium for the option.

Examiner notes that the limitation weighing each premium... is simply multiplying the premium calculated in the previous step with the probability factor. This limitation does not change the scope of the claim and produces an expected outcome.

Similarly, arguments can be made that the limitation summing all weighted premium... simply produces an expected outcome.

Daughtery, Chriss, Pilipovic and Yuguchi do not specifically disclose performing an inverse Black procedure to determine the conventional market implied volatility for a strike rate that is different from the forward rate. Examiner recognizes this limitation to be old and well known in the art. It is Examiner's interpretation that Applicant recognizes this as well (specification page 5, lines 5-7). Arguments can be made that performing the inverse Black procedure does not change the scope of the claim. As per Applicant's disclosure (Remarks, dated 4/14/2008, pg. 12), that Daughtery already achieves this goal and can't possibly "invert" an equation it has already implemented to achieve a result that it has already reached without any inversion." Thus, Examiner asserts that Daughtery accomplishes what Applicant is claiming by incorporating the inverse Black step. However, to add further support, Examiner cites Financial Engineering News disclosing this feature.

Therefore, it would have been obvious for a person having ordinary skills in the art at the time the invention was made to modify the disclosure of Daughtery, Chriss, Pilipovic, Yuguchi and Applicant's admitted prior art to include the disclosure of Financial Engineering News. One would have been motivated to do so in order to yield smooth volatility surfaces as illustrated by Financial Engineering News.

Claims 4 and 6-7 are rejected under 35 U.S.C. 103(a) as being unpatentable over Pilipovic in view of Chriss in view of Daughtery in view of Applicant's admitted prior art. Pilipovic discloses a method for generating a premium for an option, said option associated with volatility, a volatility of volatility, and a distribution type, said method comprising:

Art Unit: 3693

providing a volatility distribution based on said volatility, said *volatility of volatility*, and said distribution type (claim 36, col. 4, lines 40-55, col. 18, lines 54-63, col. 19, lines 5-20);

Pilipovic does not specifically disclose volatility of volatility. Examiner recognizes that this term is old and well known in the art. To add further support, Examiner cites Chriss disclosing this feature (pages 343-349). Therefore, it would have been obvious for a person having ordinary skills in the art at the time the invention was made to modify the disclosure of Pilipovic to include the disclosure of Chriss. One would have been motivated to do so in order to address the randomly changing volatility as illustrated by Chriss (page 345).

Both Pilipovic and Chriss fail to specifically disclose  
determining an option premium for each volatility portion by employing a volatility premium process.

However, Daughtery discloses this feature (col. 11, lines 35-col. 12, lines 13).

Therefore, it would have been obvious to a person having ordinary skills in the art at the time the invention was made to modify the disclosure of Pilipovic and Chriss to include the disclosure of Daughtery. The motivation for combining these references would be to determine expirationless option prices as illustrated by Daughtery (col. 11, lines 20-30).

Pilipovic, Chriss and Daughtery fail to specifically disclose  
dividing the volatility distribution into a plurality of portions, each said portion corresponding to a volatility, each said portion being associated with a probability;

Art Unit: 3693

Examiner recognizes that dividing the volatility distribution into a plurality of portions is old and well known in the art. For example, a spreadsheet program e.g. Excel would be able to meet these limitations and is clearly within the capability of a person having ordinary skills in the art. However, to add further support, Examiner cites Yuguchi disclosing these features (Figure 1A and 1B and claim 1).

Therefore, it would have been obvious to a person having ordinary skills in the art at the time the invention was made to modify the disclosure of Pilipovic, Chriss and Daughtery to include the disclosure of Yuguchi. The motivation for combining these references would have been to display the data graphically and would have been within the knowledge of a person having ordinary skills in the art.

Examiner has given little/no patentable weight to the limitations

weighing each option premium by the probability associated with said volatility portion; and

summing all weighed premiums associated with said volatility portions to provide a premium for the option.

Examiner notes that the limitation weighing each premium... is simply multiplying the premium calculated in the previous step with the probability factor. This limitation does not change the scope of the claim and produces an expected outcome.

Similarly, arguments can be made that the limitation summing all weighted premium...simply produces an expected outcome.

Regarding the limitation, wherein the volatility premium process used to determine said option premium for each said volatility portion uses a selectable  $q$



Art Unit: 3693

parameter, and wherein the value of a call option on rate  $r$  with forward value  $\bar{r}$ , strike  $k$ , expiration time  $t$ , and annualized volatility  $\sigma$  and is given by the following formula as disclosed in claim 4.

Examiner notes that Applicant's admitted prior art discloses (Remarks, dated 4/14/2008, page 8) that "Mathematical techniques are known in the financial and other arts that implement a selectable "q".

In response to 37 C.F.R. §105 request, Applicant states that the equation of claims 2, 4, and 7 is derived from existing equations. Applicant did not clearly state where the existing equations can be found. Since, the office is not able to search for mathematical equations, Examiner is relying on Applicant to provide this information as per 37 C.F.R. 105 request. Based on the information provided by Applicant, Examiner concludes that the mathematical equations cited in claims 2, 4 and 7 are not novel and it would have been obvious to a person having ordinary skills in the art to derive the mathematical equations cited in claims 2, 4 and 7 from existing equations. If Applicant does not agree with Examiner's interpretation of Applicant's disclosure as per 37 C.F.R. § 105, Examiner encourages the Applicant to clearly specify how these equations would not have been obvious to a person having ordinary skills in the art.

Therefore, it would have been obvious to a person having ordinary skills in the art at the time the invention was made to modify the disclosure of Pilipovic, Chriss and Daughtery and Yuguchi to include the disclosure of Applicant's admitted prior art. The motivation for combining these references would be to determine expirationless option premium as illustrated by Daughtery (col. 11, lines 20-30).

Claims 6-7 are substantially similar to claim 4 and hence rejected on similar ground.

Claims 5 and 8 are rejected under 35 U.S.C. 103(a) as being unpatentable over Pilipovic in view of Chriss in view of Daughtery in view of Applicant's admitted prior art and in view of a non-patent literature titled Financial Engineering News. Pilipovic, Chriss and Daughtery disclose the invention as described above. All fail to disclose the limitation performing an inverse Black procedure to determine the conventional market implied volatility for a strike rate that is different from the forward rate. Examiner recognizes this limitation to be old and well known in the art. It is Examiner's interpretation that Applicant recognizes this as well (specification page 5, lines 5-7). Arguments can be made that performing the inverse Black procedure does not change the scope of the claim. As per Applicant's disclosure (Remarks, dated 4/14/2008, pg. 12), that Daughtery already achieves this goal and can't possibly "invert" an equation it has already implemented to achieve a result that it has already reached without any inversion." Thus, Examiner asserts that Daughtery accomplishes what Applicant is claiming by incorporating the inverse Black step. However, to add further support, Examiner cites Financial Engineering News disclosing this feature.

Therefore, it would have been obvious for a person having ordinary skills in the art at the time the invention was made to modify the disclosure of Pilipovic, Chriss, Daughtery and Applicant's admitted prior art to include the disclosure of Financial Engineering News. One would have been motivated to do so in order to yield smooth volatility surfaces as illustrated by Financial Engineering News.

Claim 8 is substantially similar to claim 5 and hence rejected on similar ground.

***Conclusion***

**THIS ACTION IS MADE FINAL.** Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the mailing date of this final action.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to RAJESH KHATTAR whose telephone number is (571)272-7981. The examiner can normally be reached on Flex schedule.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, James Kramer can be reached on 571-272-6783. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Art Unit: 3693

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

/James A. Kramer/  
Supervisory Patent Examiner, Art Unit 3693

/R. K./  
Examiner, Art Unit 3693